

## FISCAL NOTE

### HB 2502 - SB 2840

February 14, 1998

**SUMMARY OF BILL:** Creates a *council of licensed midwifery* responsible for licensure and regulation of the practice of midwifery. Certified nurse midwives would not be subject to licensure. The Commissioner of Health would appoint the seven-member board with duties to make rules in accordance with national standards, make recommendations to the department, develop forms for reporting, and act as a forum to hear results of peer review from the Tennessee Midwives Association. Entitles a licensed midwife to collect payment through TennCare and receive third-party payments. Application and renewal fees would be set by the commissioner sufficient to cover costs of operation.

#### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$31,200 Recurring**  
**\$6,700 One-Time**  
**Increase State Revenues - \$40,000**

**Other Fiscal Impact - Implementation of the provisions of the bill without approval of the Federal Health Care Financing Administration could result in the loss of Federal funding for the TennCare program.**

1. Assumes that MCO's and other health care plans are not mandated to utilize midwives but are allowed to make payment to midwives for services rendered to those covered under their plans, including TennCare enrollees, if a decision is made to utilize such services.
2. Assumes utilization of this alternative to existing practices will not result in a reduction of costs to the TennCare program or other state and local government health care plans.
3. Assumes the need for one staff person and related expenses in the Department of Health for administration. Assumes license fees will be set at a level sufficient to cover the cost of administration.

#### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director